

ASSEMBLY BILL

No. 2407

Introduced by Assembly Member Chesbro

February 24, 2012

An act to add Section 6523.95 to the Government Code, relating to health care facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2407, as introduced, Chesbro. Joint powers agreements: health care facilities.

The Joint Exercise of Powers Act authorizes 2 or more public agencies to enter into an agreement to jointly exercise any power common to the contracting parties. Existing law, additionally authorizes a private, nonprofit hospital in the Counties of Contra Costa, Kings, Fresno, San Diego, Tuolumne, and Tulare to enter into joint powers agreements with a public agency.

This bill would authorize various district hospitals and private, nonprofit hospitals in the County of Mendocino, to enter into a joint powers agreement with the Northern California Health Care Authority, as specified.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Northern California Health Care Authority in the County of Mendocino.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 6523.95 is added to the Government Code, to read:

6523.95. (a) Notwithstanding any other provision of this chapter, any of the following district hospitals or private, nonprofit hospitals in the County of Mendocino may enter into a joint powers agreement with the Northern California Health Care Authority:

(1) Frank R. Howard Memorial Hospital.

(2) Mendocino coast District Hospital.

(3) Northern Sonoma District Hospital.

(4) Palm Drive Hospital.

(5) Sonoma Valley Hospital.

(6) St. Helena Medical Center.

(7) Southern Humboldt District Hospital.

(8) Ukiah Valley Medical Center.

(b) The joint powers authority created pursuant to subdivision (a) may perform only the following functions:

(1) Engage in joint planning for health care services.

(2) Allocate health care services among the different facilities operated by the hospitals.

(3) Engage in joint purchasing, joint development, and joint ownership of health care delivery and financing programs.

(4) Consolidate or eliminate duplicative administrative, clinical, and medical services.

(5) Engage in joint contracting and negotiations with health plans.

(6) Take cooperative actions in order to provide for the health care needs of the residents of the communities they serve.

(c) Nonprofit hospitals and public agencies participating in a joint powers agreement entered into pursuant to subdivision (a) shall not reduce or eliminate any emergency services, as a result of that agreement, following the creation of the joint powers authority without a public hearing by the authority. The joint powers authority shall provide public notice of the hearing to the communities served by the authority not less than 14 days prior to the hearing and the notice shall contain a description of the proposed reductions or changes.

(d) This section shall not be construed to grant any power to any nonprofit hospital that participates in an agreement authorized

1 under this section to levy any tax or assessment. This section shall
2 not permit any entity, other than a nonprofit hospital corporation
3 or a public agency, to participate as a party to an agreement
4 authorized under this section.

5 (e) This section shall not authorize activities that corporations
6 and other artificial legal entities are prohibited from conducting
7 by Section 2400 of the Business and Professions Code.

8 SEC. 2. The Legislature finds and declares that a special law
9 is necessary and that a general law cannot be made applicable
10 within the meaning of Section 16 of Article IV of the California
11 Constitution because of the unique circumstances facing the
12 Northern California Health Care Authority and various private
13 nonprofit hospitals in the County of Mendocino.